

External assessment 2025

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**Stimulus book**

# Business

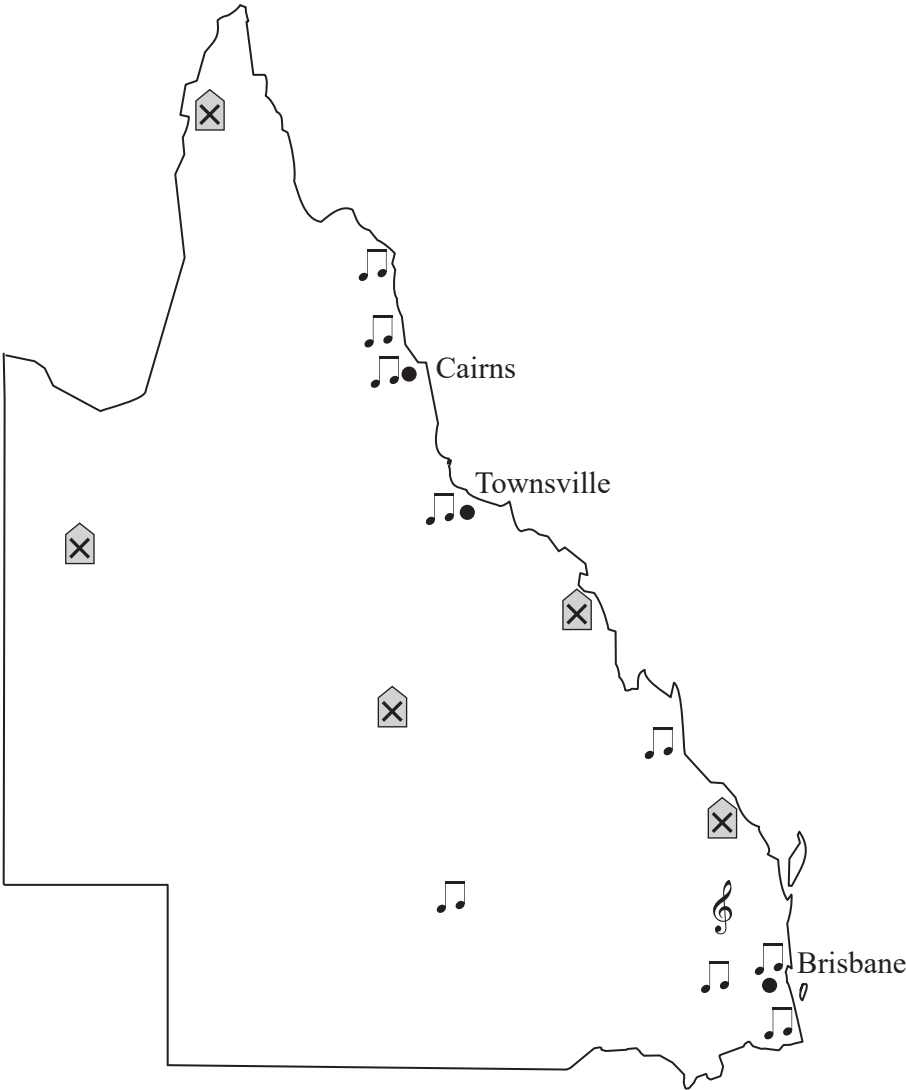
## **General instruction**

- Work in this book will not be marked.

# Case study 1 (Stimulus 1–11)

## Stimulus 1

Music Co Pty Ltd store locations, 2025



Key

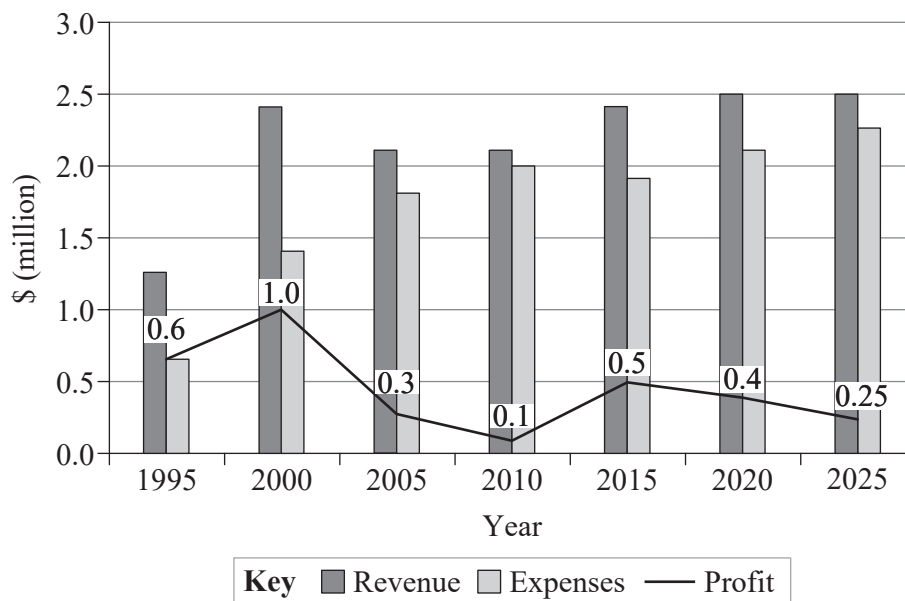
original store

expansion store

permanently closed store

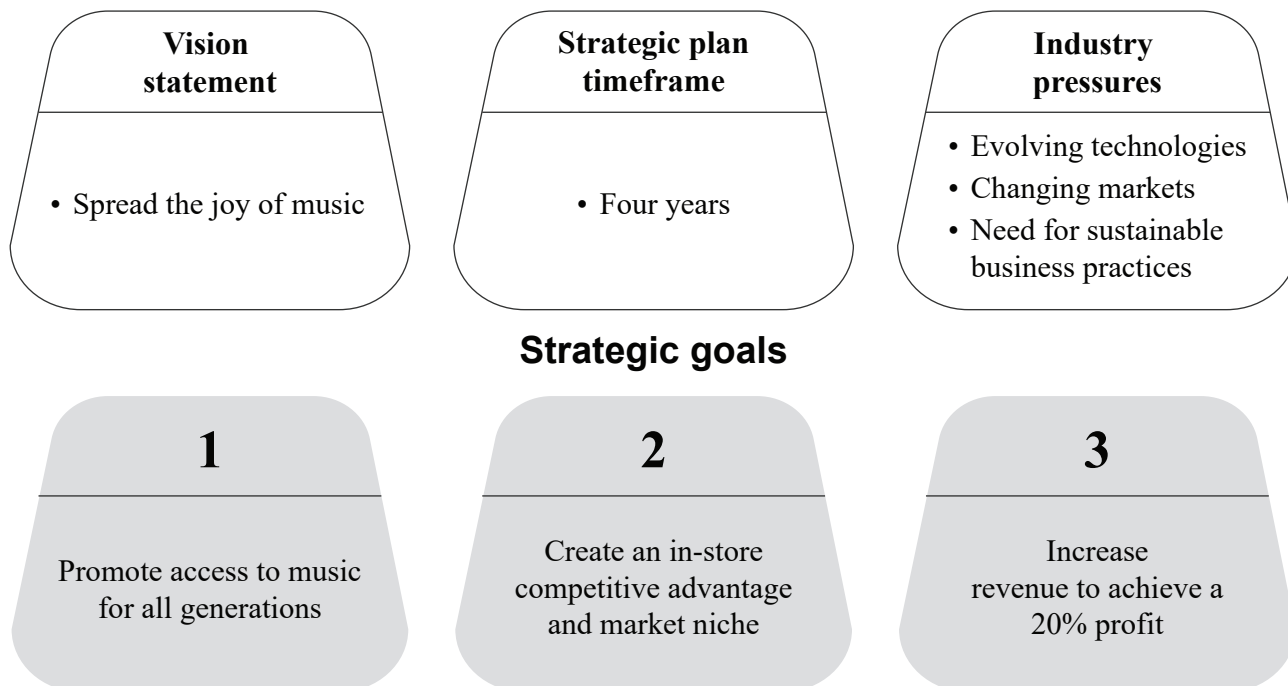
## Stimulus 2

Music Co Pty Ltd financial performance, 1995–2025



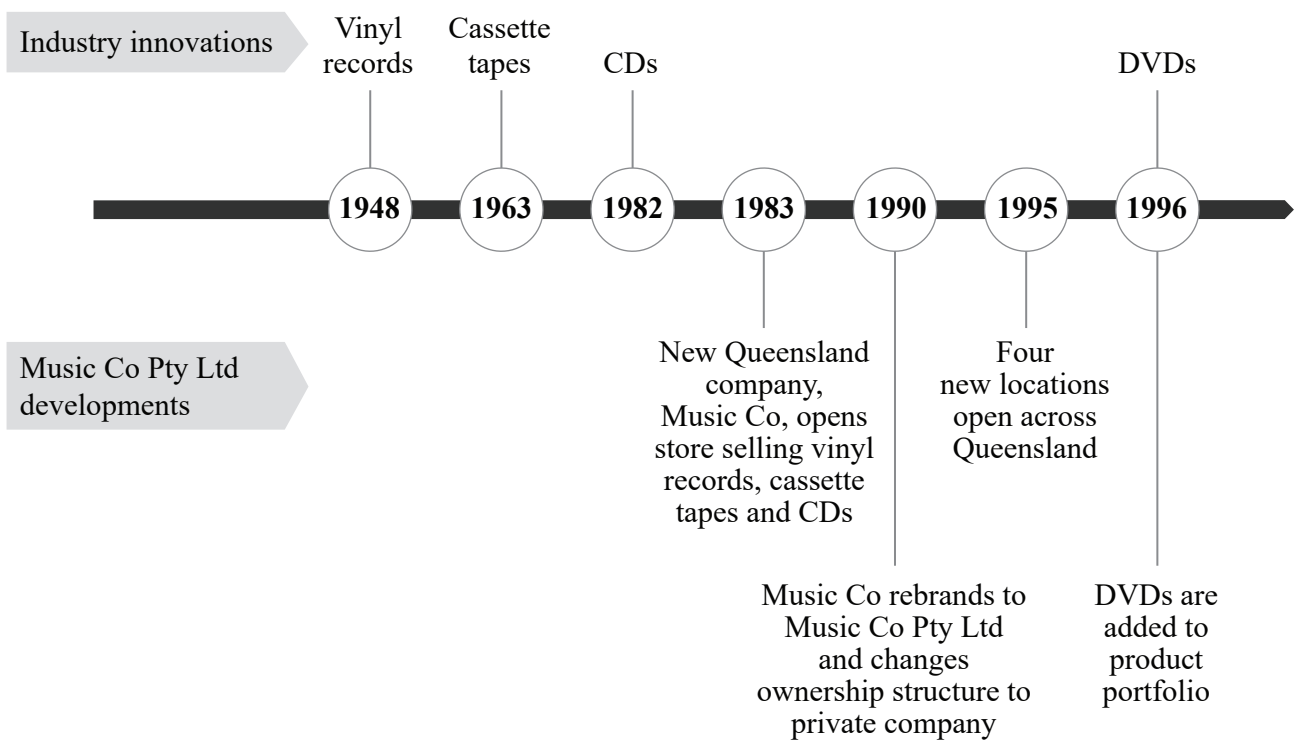
## Stimulus 3

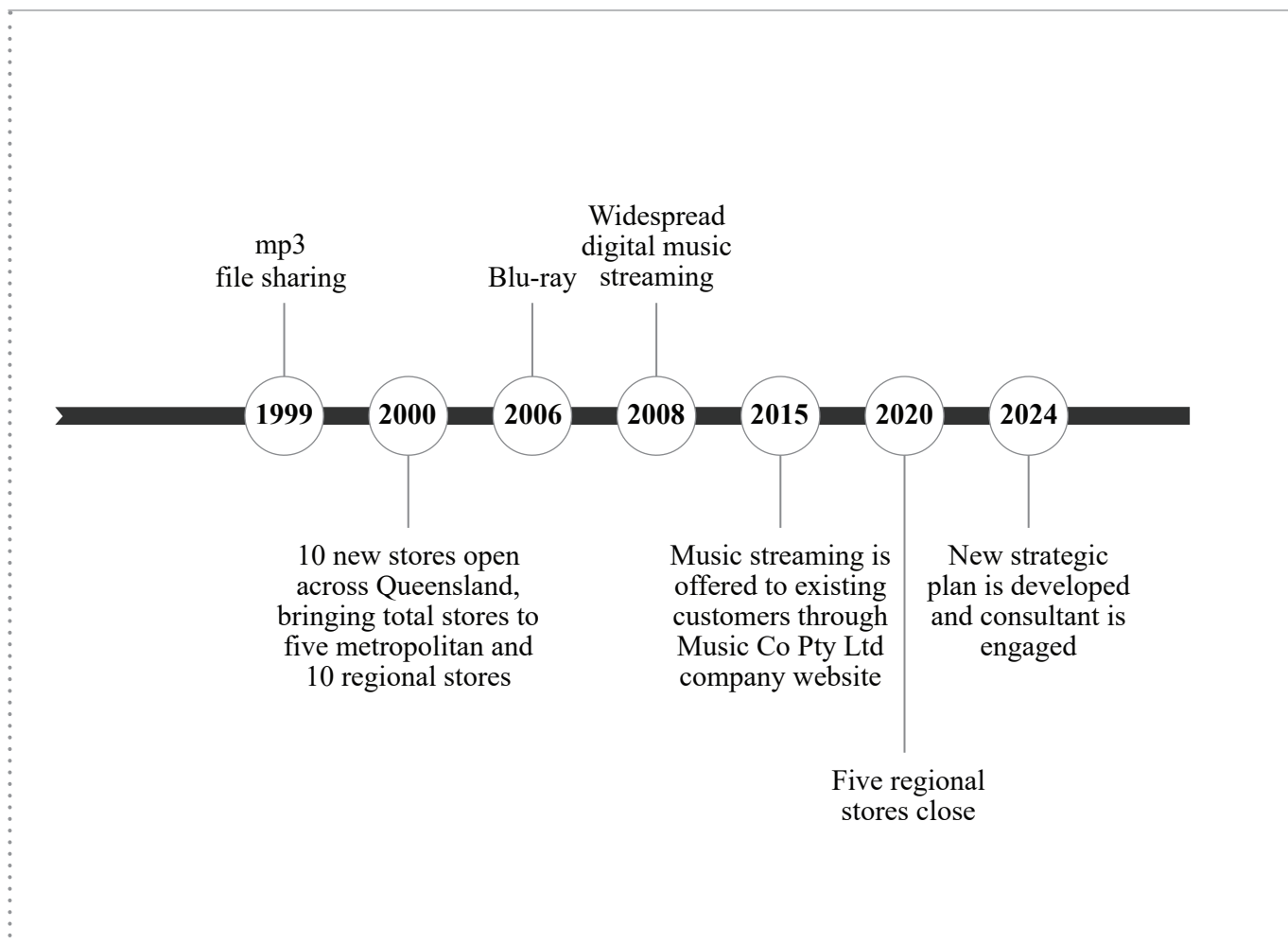
Music Co Pty Ltd strategic plan, 2025–2028 (excerpt)



## Stimulus 4

Timeline of industry innovations and Music Co Pty Ltd business developments





## Stimulus 5

Advice produced by Consultant Services Pty Ltd

Consultant advice	
<b>To</b>	Owner of Music Co Pty Ltd
<b>From</b>	Consultant Services Pty Ltd
<b>Introduction</b>	<p>Thank you for requesting our consultation services to support implementation of the four-year strategic plan of Music Co Pty Ltd.</p> <p>The performance of the business has been considered in conjunction with the strategic goals.</p> <p>Further consideration was given to the current state of the music entertainment industry and predictions about its evolution.</p>
<b>Scope</b>	The owner requested advice to achieve change in line with the strategic goals of Music Co Pty Ltd.
<b>Advice</b>	<p>Music Co Pty Ltd has a range of opportunities. Please consider the following options:</p> <ul style="list-style-type: none"><li>• close more physical store locations</li><li>• maintain all physical store locations and add content creation hubs that music creators can hire to make and share music</li><li>• move current clients from streaming on the Music Co Pty Ltd website to app-based streaming</li><li>• engage a social media influencer to increase brand awareness</li><li>• sell the entire business.</li></ul>

## Stimulus 6

USP analysis of Music Co Pty Ltd produced by Consultant Services Pty Ltd

	Consumer accessibility	Brand awareness	Competitive pricing	Industry partnerships	Total score
Music Co Pty Ltd	7	4	8	9	28
Competitor 1	9	7	9	6	31
Competitor 2	10	9	6	8	33
Competitor 3	5	6	7	7	25

## Stimulus 7

Excerpt from magazine article, 2025

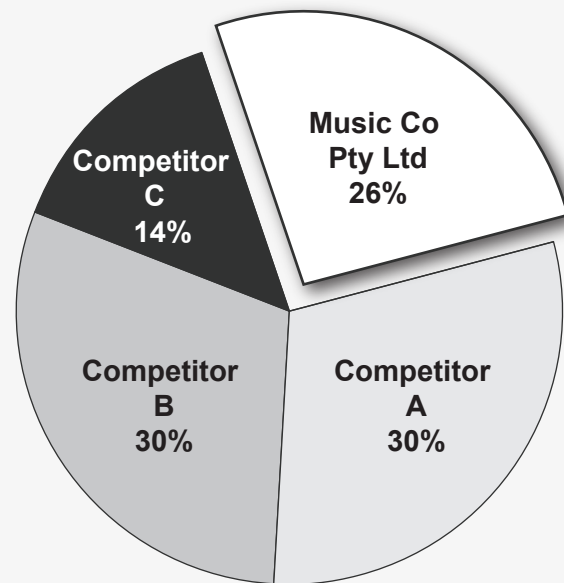
# Days of physical music stores are numbered

## Music retailers' market share is expected to shift due to challenges

Iconic music entertainment retailers across the country continue to close their doors. Despite the increasing popularity of playing, gifting and sharing music, sales of physical items such as CDs, DVDs and music memorabilia are in decline. Combined with recent digital innovations, this forms a catalyst for existing businesses to reposition themselves in the music entertainment retail industry.

It has become evident that in order to maintain their market segments, businesses need more than just a digital presence or a streaming service.

Until now, the market share for retailers has remained stable thanks to businesses adopting online sales platforms and offering digital products.

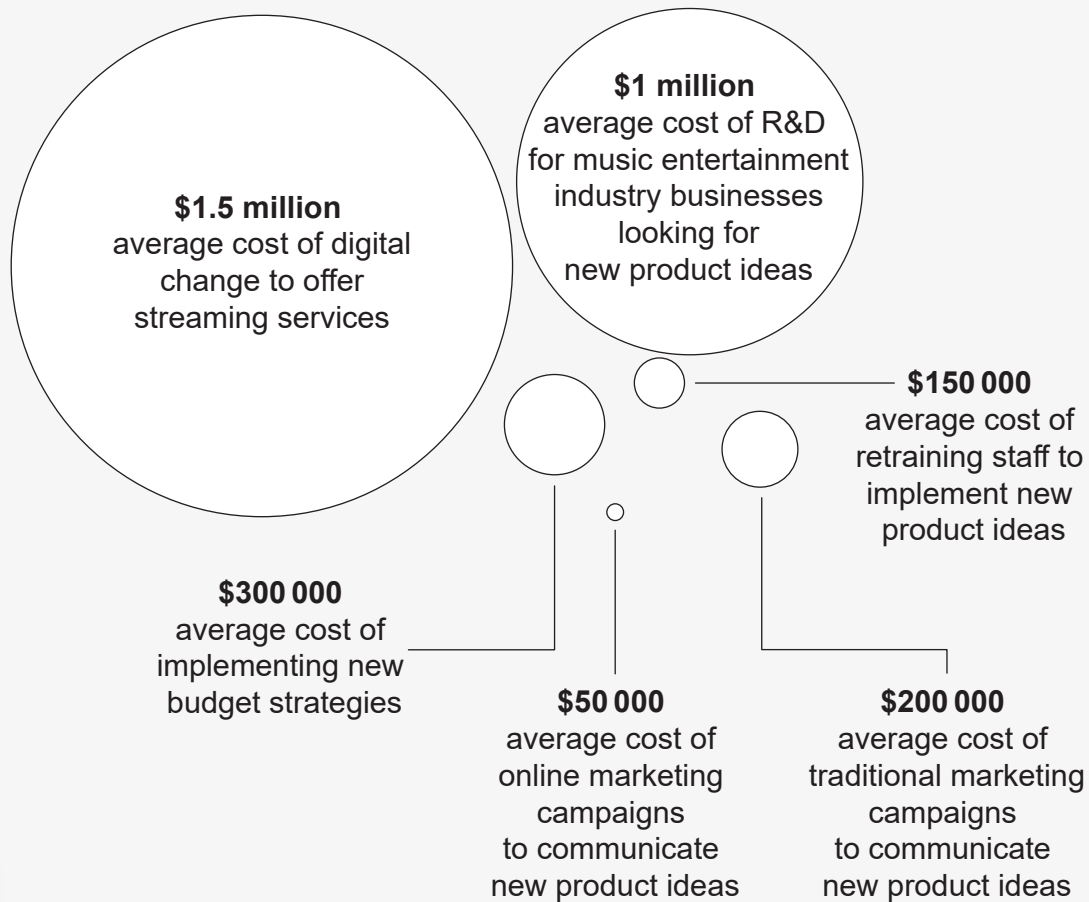


*Music entertainment retail market share in Australia, 2020–2025*



However, experts predict that this strategy will not help businesses sustain themselves across multiple generations. These difficult conditions

are forcing businesses to consider alternative options and are likely to lead to significant changes in the landscape of the industry.



*The music entertainment retail industry is preparing for significant investments to overcome challenging conditions.*

## Stimulus 8

Summary of focus group market research

### **Collaborative projects**

Collaborations provide unique musical opportunities for music creators and music consumers. Global artist collaborations are creating powerhouse musical properties across the industry.

### **Sustainability**

The music industry is implementing sustainable practices to reduce its carbon footprint. This includes carbon-neutral touring and the use of renewable energies and eco-friendly practices in the music production process.

### **Artificial intelligence**

Artificial intelligence (AI) is dividing opinions in the music industry. While AI inhibits music creators in writing and producing music, consumers appreciate AI's ability to personalise their experience by predicting new artists and genres for them to discover.

### **Genre fusion**

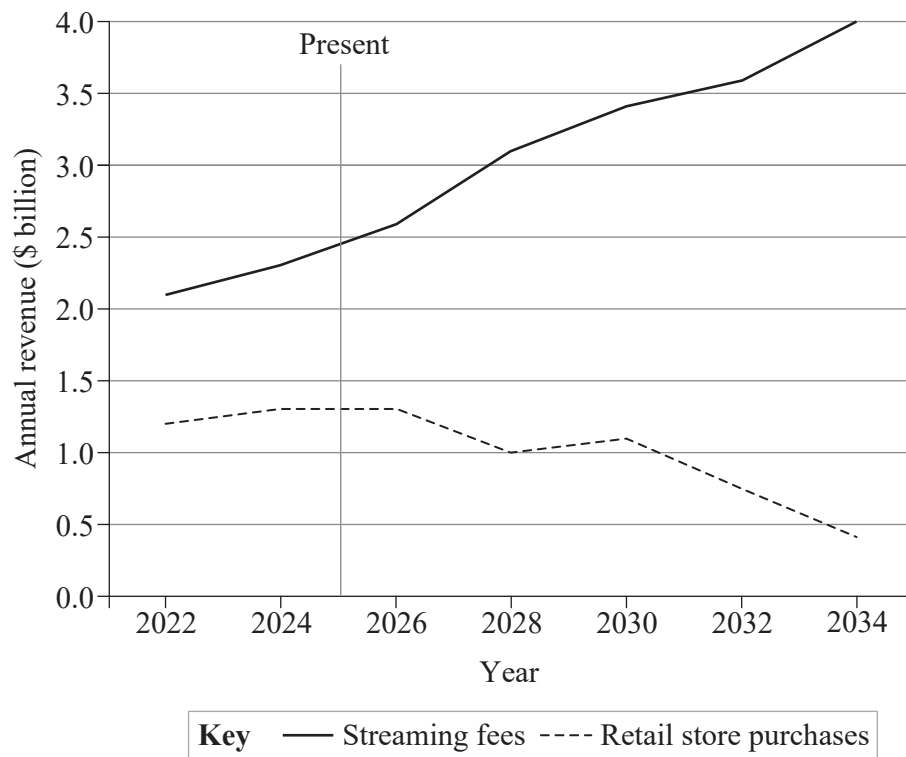
In the future, music creators are expected to continue pushing boundaries by merging genres and creating new listening opportunities for consumers.

### **Content creation hubs**

Content creation hubs are providing opportunities for music consumers to become music creators. New music creators can leverage social media to reach their audience and build music consumer followings. Predictions see this trend expanding into virtual reality (VR) concerts accessible worldwide.

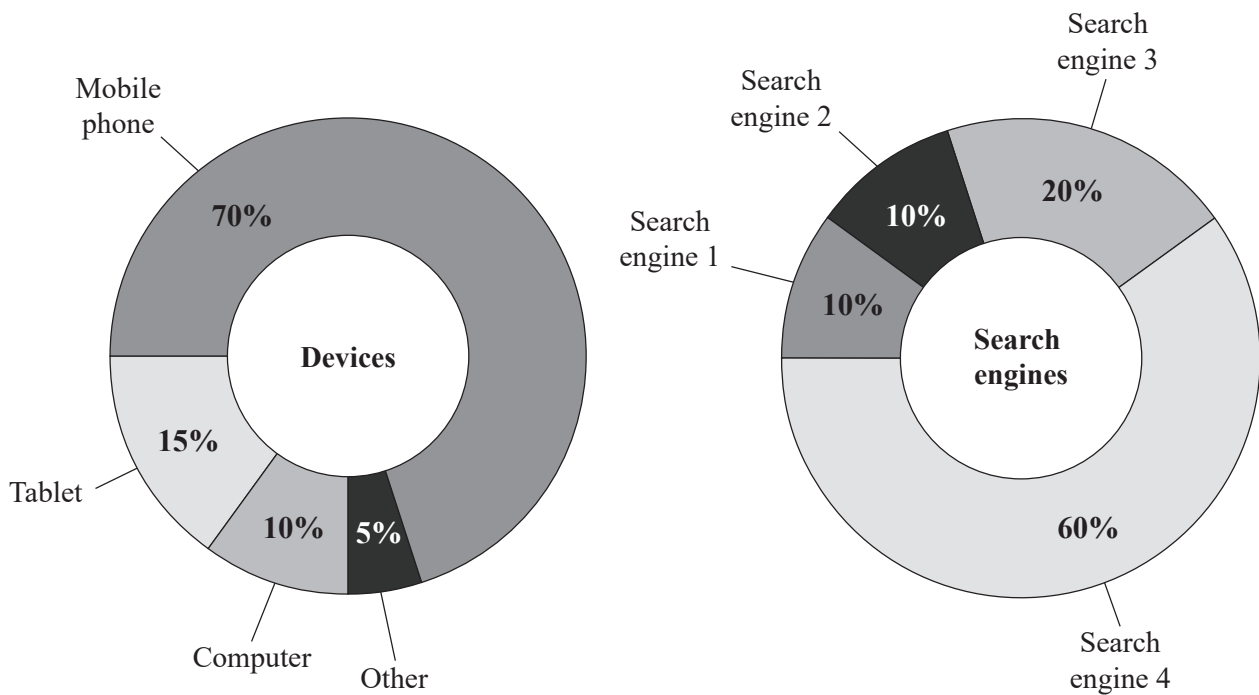
## Stimulus 9

### Music industry revenue forecast



## Stimulus 10

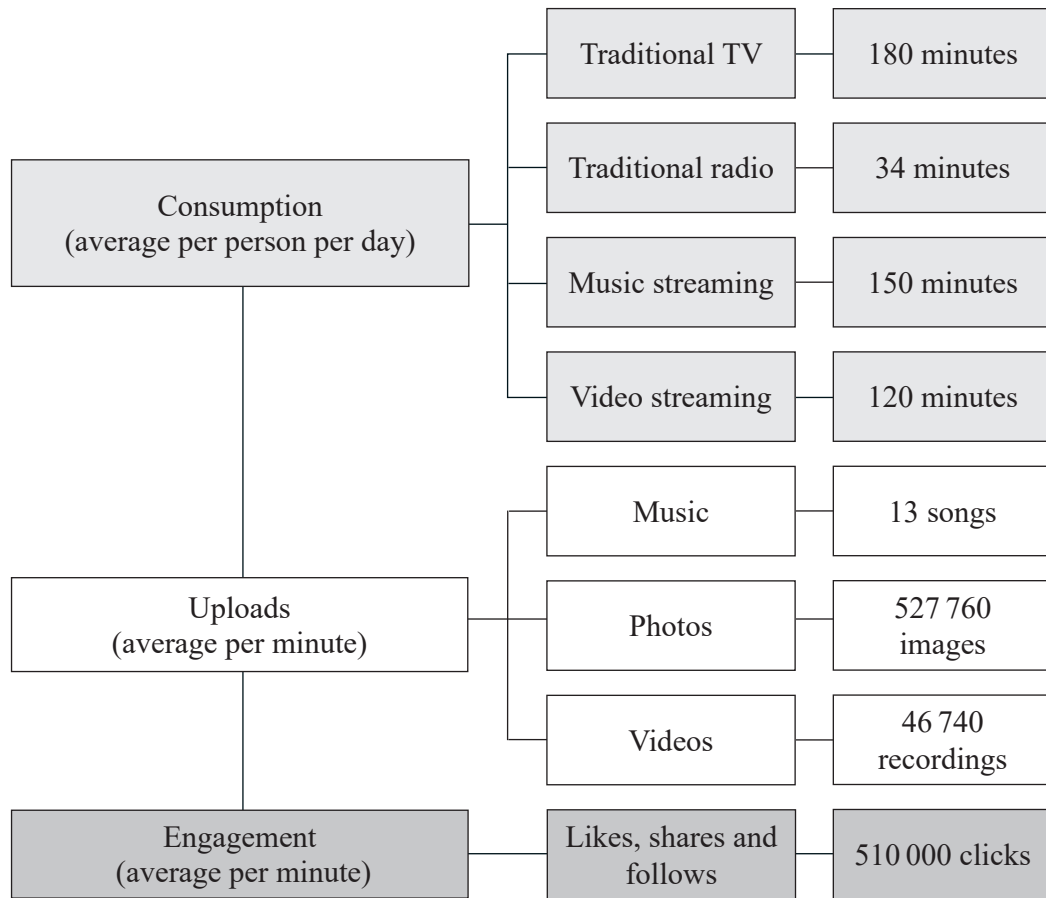
Data analytics for searches including the term ‘music’, Queensland, 2025



Search query	Average monthly frequency	
	Total	Percentage
how to make money playing music	5400	50%
where to upload music demo	2600	24%
music stores near me	1300	12%
music studios for hire near me	890	8%
cheapest music streaming without ads	450	4%
difference between mp3 and mp4 music	175	2%

## Stimulus 11

Digital behaviour in Queensland, 2025



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